

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER	<input type="checkbox"/>	DATE	<u>November 25, 2019</u>
MOTOR CARRIER MATTER	<input type="checkbox"/>	DOCKET NO.	<u>2018-202-E</u>
UTILITIES MATTER	<input checked="" type="checkbox"/>	ORDER NO.	<u>2019-817</u>

THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.

SUBJECT:

[DOCKET NO. 2018-202-E](#) - Petition of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Approval of CPRE Queue Number Proposal, Limited Waiver of Generator Interconnection Procedures, and Request for Expedited Review – Staff Presents for Commission Consideration Duke Energy Carolinas, LLC and Duke Energy Progress, LLC’s Petition to Extend Limited Waivers of Generator Interconnection Procedures and Planned Issuance of CPRE Tranche 2 Queue Number.

COMMISSION ACTION:

Duke Energy Carolinas, LLC and Duke Energy Progress, LLC, (together, “Duke”) are seeking to extend the limited waivers of generator interconnection procedures for the issuance of Tranche 2 of the Companies’ North Carolina competitive procurement of renewable energy program.

The Office of Regulatory Staff has filed responsive comments in this matter, largely reiterating the same concerns they expressed regarding Tranche 1, which were reflected in Order No. 2018-803(A). Among other issues raised by ORS is its position that upgrade costs should not be placed in rate base. Additionally, ORS points out that recently enacted Act 62 contains provisions relative to Duke’s implementation of CPRE in South Carolina. ORS requests that the Commission hold Tranche 2 of Duke’s proposed North Carolina CPRE program in abeyance until the proceeding as contemplated in Section 58-41-20(E)(2) is completed.

Although the South Carolina Solar Business Alliance (“SCSBA”) voiced some concerns in an earlier filing, the SCSBA and Duke have now filed joint responsive comments supporting the requested waiver. Among their comments, Duke and SBA argue that granting ORS’s request to hold this matter in abeyance would be to eliminate the opportunity for SC Solar Generators to participate in Tranche 2 of the CPRE Program.

Since the SCSBA has represented that as to Duke “at this time, there appears to be no indication that any non-CPRE projects were disadvantaged by its processing of the CPRE projects,” and because the SCSBA states that “allowing South Carolina projects to participate in Tranche 2 is of paramount importance,” I move that we approve the request for Tranche 2 so that South Carolina solar developers are not precluded from participating in the North Carolina program. This approval is under the same terms as the approval for Tranche 1, including the allocation of upgrade costs and the non-discriminatory treatment of non-CPRE projects. Since the Commission has not implemented Act 62’s provision for competitive procurement of energy, it is premature to consider, in the context of Duke’s current Petition, the Companies’ request to consider the appropriateness of cost recovery for interconnection upgrade costs into the Companies’ respective rate bases rather than requiring the winning qualified facilities to directly pay those costs. I believe any proposal to allow the subsidization of network upgrade costs attributed to CPRE QF projects by the Companies’ ratepayers should be fully explored in the context of a hearing.

Lastly, the commission is authorized to open a generic docket for the purposes of creating programs for the competitive procurement of energy and capacity from renewable energy facilities by an electrical utility within the utility’s balancing authority area if the commission determines such action to be in the

public interest. Therefore, I move that we find that a South Carolina competitive procurement system should be considered for our state, and therefore also move that the Clerk's Office is directed to establish a docket regarding exploration of a South Carolina competitive procurement program as allowed by South Carolina Code Section 58-41-20(E)(2).

PRESIDING: Randall

SESSION: Regular

TIME: 11:30 a.m.

	MOTION	YES	NO	OTHER
BELSER	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
ERVIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	voting via telephone
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WHITFIELD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WILLIAMS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Absent</u> Military Leave

(SEAL)

RECORDED BY: J. Schmieding

